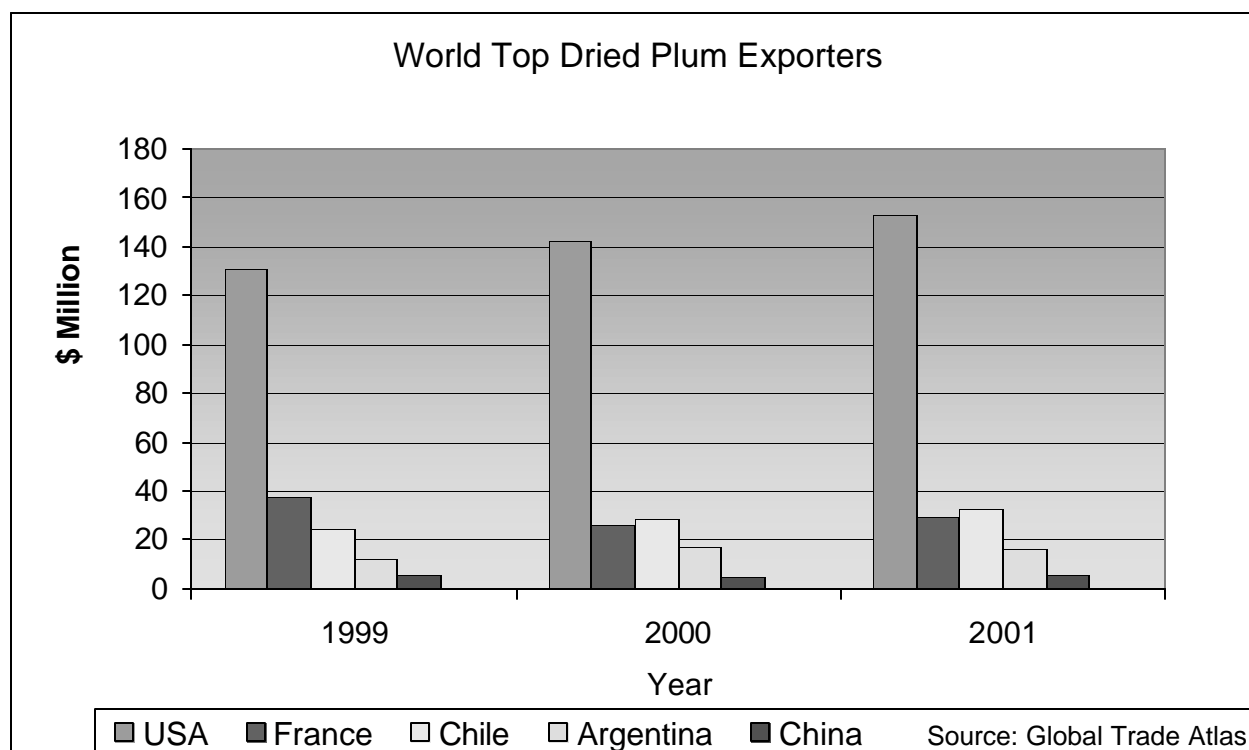


Dried Plum (Prune) Situation and Outlook in Selected Countries

Lower production in the United States and France, the two largest dried plum-producing countries, is expected to lower global dried plum supplies by 1 percent in 2002/03 to 204,276 tons from 206,656 tons. Dried plum exports are expected to fall nearly 9 percent as a result of smaller crops and flat international demand.



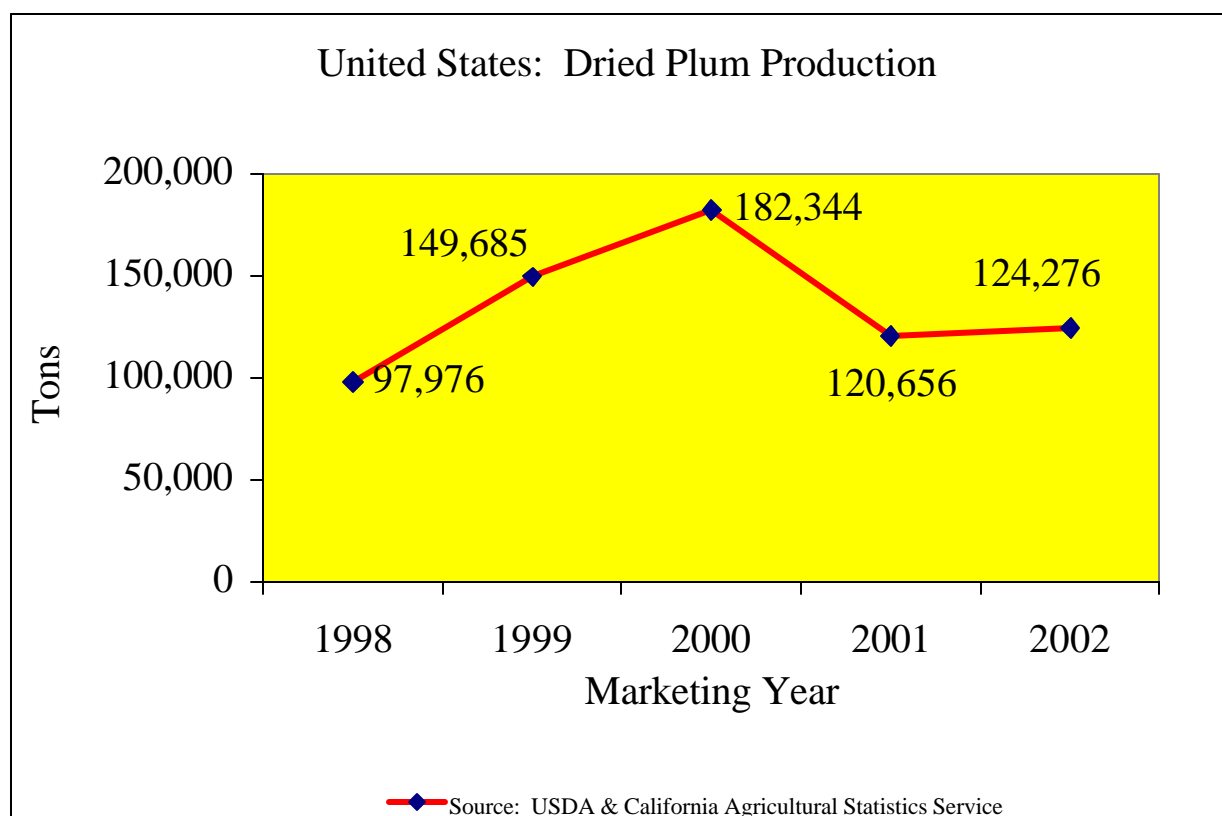
United States

The United States is the top exporter of dried plums in the world. In calendar year (CY) 2001, U.S. dried plum exports totaled over \$153 million. Between 1999 and 2001, total U.S. dried plum exports averaged over \$142 million. The United States' top export markets - Germany, Japan, Italy, the U.K., and Belgium - comprised nearly 65 percent of its dried plum markets.¹

The United States is also the largest dried plum producer in the world. Its 2002/03 dried plum crop is forecast at 124,276 tons, a 3-percent increase from the previous year. The industry is beset with large inventories of previous years, but a \$17 million Pull Out Program initiated in the beginning 2002 appears to be stabilizing production levels.

¹ Global Trade Atlas

U.S. dried plum imports were minimal in 2001, totaling \$671,000. Taiwan, China, Argentina, Chile, and Turkey were the major foreign suppliers. No increases in imports are expected.



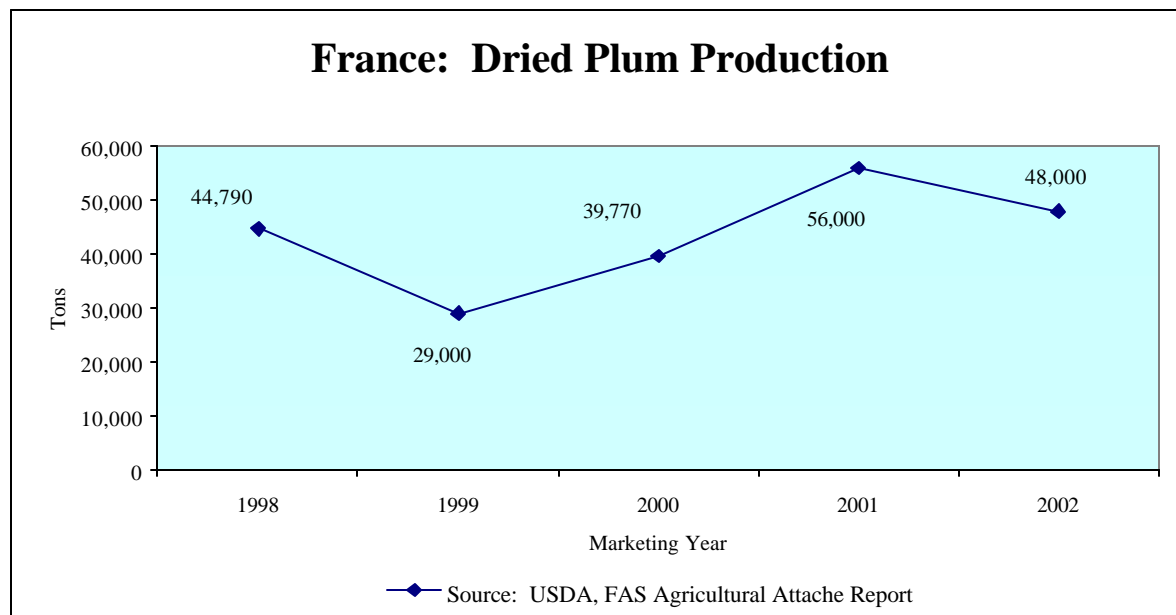
The California Prune Board (CPB) received \$1,838,400 in Market Access Program (MAP) funding for marketing activities in China, Germany, Japan, Italy, Spain, India, and the U.K. Branded activities will continue in the Western European markets. Both generic and branded activities will focus on consumers to pull the products through the channels of distribution. The CPB's main strategy is to educate the trade sector on the nutritional attributes of California prunes and to position the product as a healthful, low-fat, and convenient snack and as a versatile cooking ingredient. With the anticipated increase in California prune supplies, the CPB will continue to investigate developmental markets with a total of \$35,000 in Emerging Market funds for research in Korea and Russia.

France

France is the second largest producer and exporter of dried plums in the world. French prune production for 2002/03 is forecast to decrease to 45,000 tons from 48,000 tons as a result of unfavorable weather conditions. Despite the decline, production levels during the past 2 years are returning to normal levels after several years of underproduction.

French dried plum exports in CY 2001 were valued at more than \$29 million. Between 1999 and 2001, its total exports averaged nearly \$31 million. France's top export markets were the U.K., Germany, Algeria, Belgium, and Italy. Collectively, these five markets comprised of 55 percent of France's dried plum exports.

In 2001, France's dried plum imports totaled more than \$3.8 million. Chile and Argentina combined, made up 64 percent of the dried plum import market. Italy, Germany, and Yugoslavia rounded out the top foreign sources for dried plums.



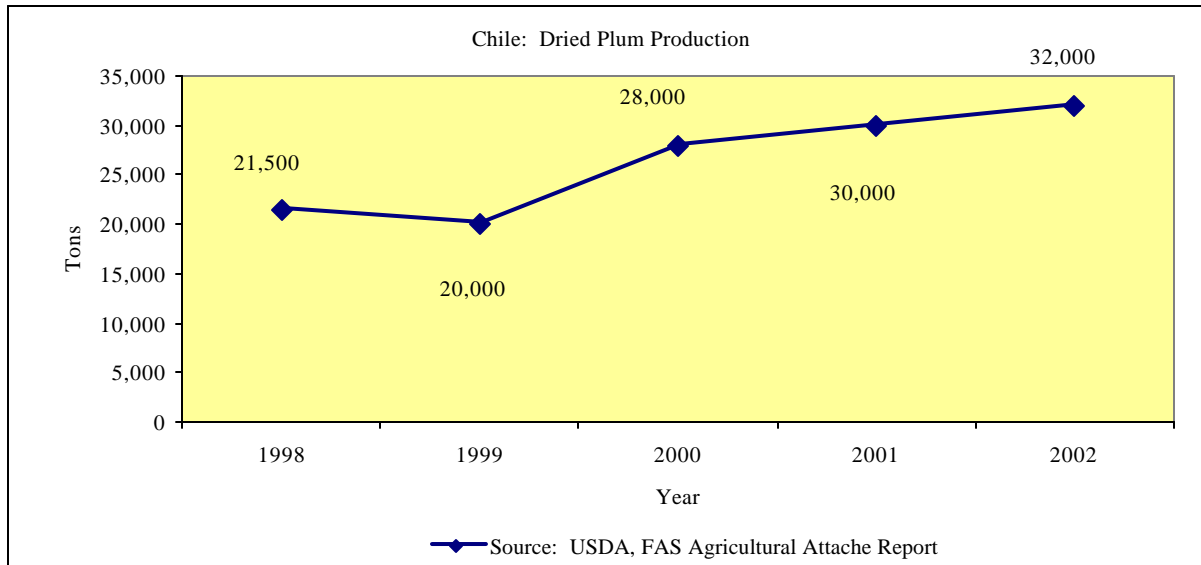
Chile

Chile is the third leading exporter of dried plums in the world. In 2001, its dried plum exports were valued at more than \$32 million. Between 1999 and 2001, Chile's total exports averaged over \$31 million. Mexico was its top export market in 2001 with imports valued at over \$10 million - 32 percent of Chile's dried plum exports. Germany, Brazil, Venezuela and Spain were also leading export markets.²

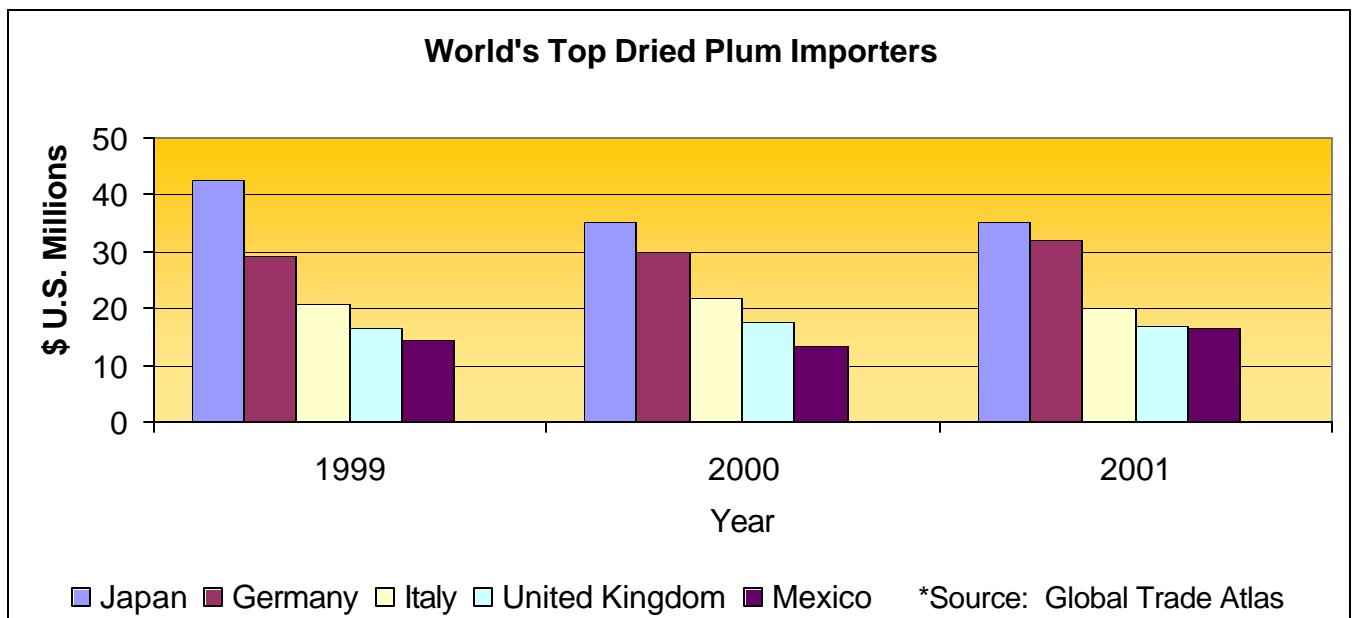
Significant increases in planted area and favorable weather conditions are expected to increase dried plum supplies. Orchards planted in CY 1996 and 1997 are beginning to bear fruit and are likely to increase production for the next 3 to 4 years. In MY 2002, production is forecast at 32,000 tons, a 6-percent increase from the previous year.

Chile's dried plum imports totaled \$19,000 in 2001, 75 percent originating from Mexico. The 7-percent tariff charged on imported goods is expected to fall to 6 percent in 2003. In addition, an 18-percent value-added tax is charged on all consumer items, both domestic and imported.

² Global Trade Atlas



World dried plum imports totaled more than \$223 million in 2001. The top dried plum importing countries were Japan, Germany, Italy, the U.K., and Mexico. Japan imported a total of \$35.2 million; Germany \$31.9 million; Italy, \$20.1 million; the U.K. \$16.9 million; and Mexico \$16.4 million. These five countries imported 54 percent of the world's dried plum trade in 2001.



(The FAS Attaché Report search engine contains reports on leading dried fruit producing countries, including South Africa, Turkey and Australia. For information on production and trade, contact Rey Santella at 202-720-0897. For information on marketing contact Krista Dickson at 202-720-5330)